



AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

April 13, 2011

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These Updates, published by the Executive Office of Health and Human Services (EOHHS) in consultation with the other state agencies involved in ACA implementation, will bring you news related to the implementation of provisions of the ACA here in Massachusetts.

Grants and Demonstrations

The ACA provides funding opportunities to transform how health care is delivered, expand access to care and support healthcare workforce training.

Grant Announcements

Community Based Care Transition Program. §3026. 4/12/11 CMS Innovation Center announced \$500 million in funding for demonstrations to community-based organizations (CBOs) partnering with eligible hospitals for care transition services that include timely, culturally, and linguistically-competent post-discharge education, medication review and management, and patient-centered self-management support within 24 hours of discharge. Starting 4/12/11, eligible CBOs and acute care hospitals that partner with CBOs can begin submitting applications. Applications will be accepted on a rolling basis. Awards will be made on an ongoing basis as funding permits. Demonstration goals are: to reduce hospital readmissions, test sustainable funding streams for care transition services, maintain or improve quality of care, and document measureable savings to the Medicare program. Announced as part of the new "Partnership for Patients" quality initiative.

Those interested in applying should visit:

www.cms.gov/DemoProjectsEvalRpts/MD/itemdetail.asp?itemID=CMS1239313

Health Promotion and Disease Prevention Research Centers: Special Interest Project Competitive Supplements. §4002. Announced 4/11/11. Provides supplemental funding to universities funded as Centers for Disease Control (CDC) Prevention Research Centers, to design, test, and disseminate effective prevention research strategies in various areas in chronic disease prevention and control while working with community partners. Total

funds available are \$9,800,000. Estimated number of awards is 23. Proposals are due 6/1/11. The announcement can be viewed at: [Grants](#)

State Supplemental Funding for Healthy Communities, Tobacco Prevention and Control, Diabetes Prevention and Control, and Behavioral Risk Factor Surveillance System. §4002. Announced 4/1/11. Supplemental funding to reduce tobacco use through legislative, regulatory, and educational arenas, as well as to enhance and expand the national network of tobacco cessation quit lines to increase the number of tobacco users who quit each year to reduce mortality and morbidity from tobacco use, and associated health care costs. Recipients of original funding (state health departments) are eligible. 53 awards, approx. \$6M over 1 year will be granted. Proposals due 5/2/11. The announcement can be viewed at: [Grants](#)

Streamlined Surveillance for Ventilator-Associated Pneumonia. §4002. Announced 4/1/11. Funding will be used to implement the newly created "streamlined" Ventilator-Associated Pneumonia (sVAP) surveillance program and definition, compare sVAP surveillance burden with the current definition's burden, and implement and evaluate evidence-based sVAP prevention. Previously funded applicants who have been selected as a Prevention Epicenter are eligible. 1 award of \$1,508,825 will be awarded. Proposals due 5/3/11. The announcement can be viewed at: [Grants](#)

Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance. §4002. Announced 3/30/11. Funds help immunization grant awardees transition and manage the public health workforce that implements and supports immunization practices in the public and private sectors. Only current grantees funded under the Immunization Grants and Vaccines for Children Program are eligible. Approx. \$75,750,000 in funds, 81 awards total. Proposals due 5/9/11. The announcement can be viewed at: [Grants](#)

Grant and Demonstration Activity

4/5/11 EOHHS's proposal submitted to CMS under §2602 of the ACA, **State Demonstrations to Integrate Care for Dual Eligible Individuals, was selected for a design contract** in a competitive procurement process. The Center for Medicare and Medicaid Innovation (Innovation Center) is partnering with the Federal Coordinated Health Care Office (FCHCO) to evaluate models that: 1) fully integrate care for dual eligible individuals, 2) provide the management of all funds with respect to such individuals, and 3) develop models that allow states to test and evaluate systems of all-payer payment reform for the medical care of residents of the state. §3021 of the ACA provides a framework that allows the Innovation Center to design and evaluate such models pertaining to dual eligible individuals. EOHHS will use the \$1 million design contract award to continue the work underway to complete the design of the integrated care concept for dual eligible adults ages 21-64. The primary deliverable of the initial design period under the contract is a demonstration proposal that describes how the State would structure, implement, and evaluate an intervention aimed at improving the quality, coordination, and cost-effectiveness of care for dual eligible individuals. States that successfully complete the program design contract will be eligible to proceed to the implementation phase.

Applications Pending

4/18/11 DPH submitted an application to the Centers for Disease Control (CDC) for funds to conduct a **Childhood Obesity Research Demonstration** under §4306 of the ACA. Demonstration projects will determine whether an integrated model of primary care and public

health approaches in the community can improve underserved children's risk factors for obesity. Funds will also be used for research and evaluation to generate recommendations. Up to 4 awards of \$5,250,000 may be available. The grant narrative can be read on our website under the Grants and Demonstrations section at: [MassGov](#)

Guidance

4/5/11 The Centers for Medicare & Medicaid Services (CMS) filed a notice **announcing that the agency is exercising its authority under §1102(f) of the ACA to stop accepting applications for the Early Retiree Reinsurance Program (ERRP)**, due to the availability of funds, as of May 5, 2011. This notice is effective March 31, 2011. The notice can be found at: <http://www.gpo.gov/fdsys/pkg/FR-2011-04-05/pdf/2011-7934.pdf>

Congress appropriated \$5 billion for the program, but a new report shows that \$1.8 billion in funds have already been spent. The ERRP provides reimbursement to participating employment-based plans for a portion of the costs of health benefits for early retirees and early retirees' spouses, surviving spouses, and dependents.

Read the new report at:

http://cciio.cms.gov/resources/files/errp_progress_report_3_31_11.pdf

For more information, visit the ERRP site at:

<http://errp.gov/newspages/20110401-applications-acceptance.shtml>

4/6/11 FDA issued two proposed regulations regarding **menu and vending machine labeling requirements** under §4205 of the ACA. The regulation that proposes requirements for providing calorie information for certain articles of food sold from vending machines is available at: <http://www.gpo.gov/fdsys/pkg/FR-2011-04-06/pdf/2011-8037.pdf> Comments are due 7/5/11.

The regulation that proposes nutrition labeling of standard menu items in restaurants and similar retail food establishments can be found at: <http://www.gpo.gov/fdsys/pkg/FR-2011-04-06/pdf/2011-7940.pdf>

Comments are due by 6/6/11.

View the press release at:

<http://www.fda.gov/NewsEvents/Newsroom/PressAnnouncements/ucm249471.htm>

3/31/11 The Obama administration issued additional guidance related to CMS's proposed rule to implement §3022 of the ACA, which contains provisions relating to Medicare payments to providers of services and suppliers participating in **Accountable Care Organizations (ACOs)**,

1) A **joint CMS and OIG notice** and solicitation of public comments on potential waivers of certain fraud and abuse laws in connection with the Medicare Shared Savings Program. The proposed rule and joint CMS/OIG notice are posted at: <http://www.gpo.gov/fdsys/pkg/FR-2011-04-07/pdf/2011-7884.pdf>. For more information, read the fact sheet at: www.HealthCare.gov/news/factsheets/accountablecare03312011a.html. Comments on the proposed rule will be accepted until 6/6/11.

2) A **joint FTC and DOJ proposed antitrust policy statement**; The Proposed Antitrust Policy Statement is posted at: www.ftc.gov/opp/aco/ and

3) An **IRS notice** requesting comments regarding the need for additional tax guidance for tax-exempt organizations, including tax-exempt hospitals, participating in the Medicare Shared Savings Program. The IRS Guidance and Solicitation of Comments is available at: <http://www.irs.gov/pub/irs-drop/n-11-20.pdf>. Comments are due by 5/31/10.

The **CMS ACO proposed rule** can be viewed at: <http://www.gpo.gov/fdsys/pkg/FR-2011-04-07/pdf/2011-7880.pdf> Comments are due by 6/6/11.

Read the blog post by CMS Administrator Don Berwick at:

<http://www.healthcare.gov/news/blog/accountablecare03312011a.html>

Read Berwick's blog at the NEJM:

<http://www.nejm.org/doi/full/10.1056/NEJMp1103602>

Read the HHS press release:

<http://www.hhs.gov/news/press/2011pres/03/20110331a.html>

Note that the guidance listed in this section dates back to March 31, 2011. Prior guidance can be viewed at www.healthcare.gov

News

4/12/11 CMS announced a new **"Partnership for Patients" to improve care and lower costs in health care**. The Partnership for Patients is a public-private partnership which aims to encourage collaboration between hospitals, medical professionals, insurers, employers and patients so that best practices can be learned and shared and care is safer and less costly. Read more about the Partnership and the more than 500 organizations that have already pledged their commitment to the initiative at:

<http://www.healthcare.gov/news/factsheets/partnership04122011a.html> or
<http://partnershippledge.healthcare.gov/>

4/12/11- 4/13/11 The **inaugural meeting of the Advisory Group on Prevention, Health Promotion, and Integrative and Public Health** is scheduled for 4/12/11- 4/13/11.

The Advisory Group is tasked with developing policy recommendations and advising the National Prevention Council on lifestyle-based chronic disease prevention and management, integrative health care practices, and health promotion. The agenda is available at:

http://www.healthcare.gov/center/councils/nphpphc/april_12_meeting_agenda.pdf

4/11/11 US Surgeon General, Dr. Regina M. Benjamin, selected Jeffrey Levi, Ph.D. **as chair of the Advisory Group on Prevention, Health Promotion, and Integrative and Public Health**. Dr. Levi is currently executive director of Trust for America's Health, a non-profit, non-partisan organization dedicated to making disease prevention a national priority. The President established the Advisory Group under §4001 of the ACA to provide policy and program recommendations and advise the National Prevention, Health Promotion and Public Health Council (known as the National Prevention Council) on chronic disease prevention and management, integrative health care practices and health promotion.

For more information on the Council please visit:

<http://www.healthcare.gov/center/councils/nphpphc/index.html>

4/8/11 HHS announced that Farzad Mostashari, who led an effort in New York City to foster the adoption of health information technology by primary care doctors serving low-income populations, has been named the **new national coordinator for health information technology**. Mostashari succeeds David Blumenthal. Blumenthal stepped down in February to return to Harvard Medical School.

For more information please visit:

<http://healthit.hhs.gov/portal/server.pt?open=512&mode=2&objID=1249&PageID=18220>

4/5/11 The Senate voted 87 to 12 to **repeal the 1099 tax reporting requirements for businesses in the ACA**. Under §9006 of the ACA businesses are required to report to the IRS transactions valued at more than \$600. The bill offsets the \$20 billion cost of the repeal by increasing the income level at which consumers who receive insurance subsidies would have to repay the government if they're no longer eligible. H.R. 4 now goes to the President. The House passed the same repeal in March.

Read the bill at: <http://www.gpo.gov/fdsys/pkg/BILLS-112hr4enr/pdf/BILLS-112hr4enr.pdf>

4/1/11 HHS added 129 new recipients, **updating the list of those organizations that have been granted one-year "mini-med" waivers** to a total of 1,168 applicants. The Center for Consumer Information and Insurance Oversight (CCIIO) said that more than 95% of the annual-limit waivers granted were "employment-related." These organizations receive a temporary exemption from the annual limit requirements by certifying that a waiver is necessary to prevent either a large increase in premiums or a significant decrease in access to coverage. In addition, enrollees must be informed that their plan does not meet the coverage requirements of the ACA.

To see a breakdown of the types of applicants and learn more, visit CCIIO's website:

http://cciio.cms.gov/resources/files/approved_applications_for_waiver.html

4/1/11 The Employee Benefits Security Administration (EBSA, which is an arm of the Department of Labor) posted its fifth set of ACA-related **frequently asked questions online regarding issues including grandfathered health plans**. The FAQ's were prepared jointly by HHS, DOL and Treasury.

The FAQ's can be found here: <http://www.dol.gov/ebsa/faqs/faq-aca6.html>

3/31/11 the Department of Labor (DOL) and HHS issued **new reports on self-insured group health plans and a study of the large group market**, as required by §1253, §1254 of the ACA. §1253 of the ACA requires DOL to provide Congress with an annual report containing general information on self-insured employee health benefit plans and financial information regarding employers that sponsor such plans. The findings suggest that there is little evidence that self-insured health insurance plans deny claims at a higher rate than fully insured plans, and overall, self-insured plans do not differ that much from fully-insured plans in terms of benefit generosity, price or claims denial rates. The data also concludes that the ACA is unlikely to result in a significant increase in the percentage of employers self-funding their health care plans.

The Annual Report on Self-Insured Group Health Plans by DOL can be found at:

<http://www.dol.gov/ebsa/pdf/ACAREportToCongress032811.pdf>

§1254 of the ACA requires the HHS Secretary to provide a report to Congress that compares the characteristics of fully-insured and self-insured employers, including their health plan benefits and financial solvency to determine the extent to which new insurance market reforms are likely to cause adverse selection in the large group market.

The Study of the Large Group Market by HHS and DOL can be found at:

<http://aspe.hhs.gov/health/reports/2011/LGHPstudy/index.shtml>

Upcoming Events

Next Quarterly Stakeholder Meeting

Patient Protection and Affordable Care Act Implementation meeting

Tuesday June 21, 2011 from 3:00-4:00 P.M.

1 Ashburton Place, 21st floor, Boston

Don't forget to add our website to your favorites: www.mass.gov/nationalhealthreform